

Advertising Guidelines for Estate Agents and Salespersons

Have you come across property promotional flyers or advertisements that provide only a contact number and a person's name like "Mr Tan" or "Mr Ahmad"? There is no salesperson's registration number, estate agent's name and licence number. You are advised not to respond to such advertising materials as it is difficult for you to verify if the person is a registered salesperson.

Any salesperson who advertises a property is required to comply with the Practice Guidelines on Ethical Advertising and the Code of Ethics & Professional Client Care. The guideline and Code is to be read with the Estate Agents Act and its Regulations. In an advertisement:

- The salesperson has to clearly indicate his name, registration number and contact number, and his estate agent's name and licence number. For classified advertisements in newspapers, the salesperson must indicate his name and contact number. Licence/registration number needs not be stated.
- The information must be accurate. If the advertisement shows a photograph of a property, the photograph must not be altered or enhanced in any way. Essential data such as the floor area must be accurate. If a unit was approved by the Urban Redevelopment Authority (URA) for a specific use (e.g. commercial or industrial use), the salesperson must advertise it accurately.
- The information must not be misleading. If there is any indication of promotion or guarantee, all underlying terms and conditions and explanatory notes must be carried in the advertisement. Any claims on rates of returns, yield rates or rate of capital gains must be substantiated with the basis and source of the claim. The basis and source must be reliable.
- There shall not be use of words or phrases that are against your best interest, such as 'already co-broke', 'no co-broke', 'no agents', 'buyers pay commission', as these phrases will limit the pool of potential interested parties who wish to buy/sell/lease.
- There shall not be any use of dubious or misleading words and phrases like 'King of XX (name of location or area)', 'Mr XX (name of location or area)', 'Specialist' or 'Expert'.
- The salesperson must not advertise a property price or any other terms different from those that were instructed by his client.

In addition, the salesperson must:

- Seek the consent of the owner before advertising his property. He must not copy any advertisement from someone/somewhere else and claim it as his own. In a case of advertising without owner consent, a salesperson was charged before the Disciplinary Committee who imposed a fine of \$3,000 on him.

- Ensure that flyers and pamphlets are distributed properly and not cause public nuisance or pose security hazard. For example, flyers should not be placed on a car's windscreen or on the gates of homes.
- Obtain the requisite approvals before putting up their signs or banners along common areas such as bus-stops or along roads.
- Not give a false representation of the properties available i.e. claiming that he has ready units for sale or rental when he does not.
- Not send SMS or make cold call between 10pm to 9am. He should stop sending you SMSs if you send an unsubscribe request to him.

Case Study

Salesperson A who was representing a landlord, had indicated 'already co-broke' in his online advertisement.

He used the word 'already co-broke' because he wanted to discourage other salespersons from contacting him and trying to co-broke with him.

Other salespersons may potentially invite a bigger pool of prospects for the landlord. Therefore, the phrase 'already co-broke' limits the pool of prospects for the landlord, and A did not serve the best interest of his client.

In addition, he did not provide his name, registration number, estate agent's name and licence number in his advertisement. Without such information, consumers cannot be assured that the salesperson is a registered salesperson with CEA. All salespersons are required to be correctly and clearly identified in all their advertisements, including online advertisements.

In view of his breach of the Practice Guidelines on Ethical Advertising, CEA issued a Letter of Advice to A.